IN THE DISTRICT COURT IN AND FOR OKEAHOMA COUNTY COURT STATE OF OKLAHOMA OKLAHOMA COUNTY

FRONTIER STATE BANK, an Oklahoma	§	SEP 19 2017
State Banking Corporation	§	RICK WARREN
Plaintiff	§ §	RICK WARREN COURT CLERK
vs.	§ §	Case No 2017 _ 5314
WUNDERLICH LOAN CAPITAL CORP.	8	
Defendant.	8 §	

PLAINTIFF'S ORIGINAL PETITION

COMES NOW Plaintiff, Frontier State Bank, ("Frontier"), and files this Original Petition against Wunderlich Loan Capital Corp. ("Wunderlich").

I. PARTIES

- 1. Frontier is an Oklahoma State Banking Corporation, duly organized and existing under the laws of the State of Oklahoma, with its principal office in Oklahoma City, Oklahoma.
- 2. Wunderlich is a Delaware Corporation, with its principal office in Memphis Tennessee. Wunderlich may be served by serving its registered agent, Cogency Global, Inc., 850 New Burton Road, Suite 201, Dover, Delaware 19904. Wunderlich may also be served by its attorney and authorized agent, Ronald S. Herzog, Steinberg & Cavaliere, LLP, 50 Main Street, White Plains, New York 10606.

II. JURISDICTION AND VENUE

3. The amount in controversy well exceeds the minimum jurisdictional limits exclusive of interest and costs, giving this Honorable Court jurisdiction.

PLAINTIFF'S ORIGINAL PETITION

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PAGE 1

4. Venue in this Honorable Court is appropriate because the occurrences giving rise to Frontier's damages took place in Oklahoma City, Oklahoma. In addition, the contractual agreements from which all or a part of this lawsuit arises specifically provides exclusive venue in the State or Federal courts located in Oklahoma City, Oklahoma.

III. FACTUAL BACKGROUND

- 5. Generally, this case involves a residential mortgage loan, sold by Vanguard Funding to Wunderlich, who then conveyed it to Frontier. Unbeknownst to Frontier, and in violation of the conveyance documents, the loan was significantly encumbered, and may have been sold multiple times to other entities prior to Frontier's purchase. After Frontier discovered this material breach, it notified Wunderlich, who failed to comply with its contractual obligations and return the consideration that had been paid by Frontier.
- 6. On September 7, 2016 (the "Origination Date"), Nicholas Protopapas (the "Borrower") obtained a \$1,500,000.00 residential mortgage loan (the "Loan") from Vanguard Funding LLC (the "Originator"). The Loan is evidenced by that certain Consolidated Promissory Note (the "Genuine Note"), dated as of the Origination Date, between the Borrower and the Originator. ¹
- 7. Although the Genuine Note bears the Borrower's original "wet ink" signature, the Originator had the Borrower affix his original "wet ink" signature to a second promissory note (the "Fraudulent Note"), similarly dated as of the Origination Date, and similarly between the Borrower and the Originator.
- 8. On September 26, 2016, the Originator registered (the "MERS Registration") itself as the owner and servicer of the Loan on the Mortgage Electronic Registration System (the

¹A true and correct copy of the Genuine Note is appended as Exhibit A hereto.

"MERS System"), a national electronic database that tracks changes in mortgage servicing rights and beneficial ownership interests in loans secured by residential real estate.²

- 9. Northpointe Bank ("Northpointe") has made a claim that on September 6, 2016, the Originator purportedly sold the Loan to Northpointe pursuant to a warehouse line of credit agreement between Northpointe and Originator. Northpointe claims that it has possession of the "wet ink" Genuine Note, and is the actual owner thereof and of the Loan.³
- Offer") to sell the Loan at a steep discount. Importantly, Wunderlich did not mention that the Loan may have already been sold to another entity six months earlier. Rather, the proposed letter of intent (the "Proposed LOI") attached to the Sale Offer (a) identified the Wunderlich as the "Seller" of the Loan, and (b) ensured that any purchase agreement would include a representation that "the Seller has clear, marketable, and transferable title for [the L]oan."
- 11. After negotiating the terms of the Proposed LOI, Frontier and Wunderlich executed a revised letter of intent (the "Final LOI") on March 20, 2017, and March 21, 2017, respectively. Unlike the Proposed LOI, however, the Final LOI included at the request and behest of the Defrauded Transferee an express obligation that "the Seller shall repurchase any Loan that . . . fails to conform with any representation or warranty made by the Seller in the [purchase a]greement"

²According to the MERS, Inc. ("MERS"), "[t]he MERS[] System is not a legal system of record, nor a replacement for the public land records. No interests are transferred on the system; they are only tracked." *See* https://www.mersinc.org/join-mers/mers-system.

³Northpointe has also claimed that the Originator actually sold the same Note three separate times, receiving triple funding for the Loan by selling it to Northpointe for \$1,500,000, to Santander (see below) for \$1,503,037.02, and to Frontier for \$1,299,803.62.

⁴A true and correct copy of the Executed LOI is appended as Exhibit B hereto.

- 12. In March of 2017, Wunderlich provided the Frontier with electronic copies (collectively, the "Diligence Package") of all credit documents and legal instruments relating to the Loan. Based upon a thorough review of the Diligence Package which, not surprisingly, included electronic copies of the Genuine Note and the Fraudulent Note Frontier decided to purchase the Loan on the terms and subject to the conditions set forth in a mutually agreeable Loan Purchase Agreement (the "Purchase Agreement") and Assignment, Assumption, And Recognition Agreement (the "Assignment Agreement").
- 13. On March 28, 2017, Wunderlich emailed closing instructions (the "Closing Instructions") to the Defrauded Transferee. In the Closing Instructions, Wunderlich expressly directed Frontier to remit payment of \$1,299,803.62 (the "Purchase Price") by wire transfer to Wunderlich at the bank account specified by it in the Closing Instructions. That same day, the Frontier executed the Closing Instructions and emailed a copy thereof to Wunderlich for counter-execution.
- 14. On March 29, 2017 (the "Sale Date"), Frontier received for its final review physical copies (collectively, the "Collateral Package") of what was supposed to be genuine originals of all documents and instruments included in the Diligence Package. Although the Diligence Package included electronic copies of the Genuine Note and the Fraudulent Note, the Collateral Package did not include originals or copies of either instrument. Because the Purchase Agreement and industry practice permitted post-closing delivery of the missing instruments, and because Wunderlich agreed to obtain the missing instruments within a few days, Frontier decided to proceed with its purchase of the Loan without the Genuine Note or the Fraudulent Note in hand.

- 15. Upon Frontier's decision to proceed with the transaction, Wunderlich emailed the following documents to the Frontier:
 - (a) a fully-executed copy of the Closing Instructions;
 - (b) a fully-executed copy of the Purchase Agreement, dated as of the Sale Date, by and between (i) the Originator, as the seller of the Loan to Wunderlich, and (ii) Wunderlich, as the purchaser of the Loan from the Originator; and
 - (c) a partially-executed copy of the Assignment Agreement, dated as of the Sale Date, by and between (i) Wunderlich, as the assignor of the Loan and the Purchase Agreement to Frontier, (ii) Frontier, as the assignee of the Loan and the Purchase Agreement from Wunderlich, and (iii) the Originator, as the seller of the Loan to the Wunderlich.
- 16. Upon Wunderlich's receipt of the foregoing documents on the Sale Date, Frontier counter-executed the Assignment Agreement,⁵ remitted payment of the Purchase Price to Wunderlich in accordance with the Closing Instructions, and acquired the Loan and all rights of Wunderlich under the Purchase Agreement subject to the terms and conditions set forth in the Purchase Agreement and the Assignment Agreement.
- 17. Specifically, and pursuant to Exhibit E of the Purchase Agreement, the Originator conveyed the Loan to Wunderlich subject to the following terms and conditions set forth in the Purchase Agreement:
 - (a) Subsection 6.09(a), which includes an express representation by the Originator that, on and as of the Sale Date, it (i) "[wa]s the sole and lawful owner and holder of indefeasible and marketable title free and clear of all charges, claims, conditions, encumbrances, interests, liens, pledges, and other restrictions to all rights

⁵A true and correct copy of the fully-executed Assignment Agreement is appended as Exhibit C hereto.

and interests in and to the [] Loan," and (ii) "ha[d] not assigned, conveyed, pledged, or transferred any rights or interests of the [Originator] in or to the [] Loan"; and

- (b) Subsection 8.01(d), which includes an express obligation by the Originator that it "shall, on or before the date that is five (5) Business Days after receipt of Notice . . . , repurchase the [] Loan and remit . . . payment of the Repurchase Price" in the event that the Loan "fail[ed] . . . to conform with any representation, warranty, or covenant made by the [Originator]."
- 18. In turn, and pursuant to Section 1 of the Assignment Agreement, Frontier acquired the Loan and all rights of Wunderlich under the Purchase Agreement from Wunderlich in justifiable reliance upon (a) the foregoing representation made by the Originator in Subsection 6.09(a) of the Purchase Agreement, and (b) the following representation made by Wunderlich in Section 2(a) of the Assignment Agreement:

"[Wunderlich] hereby represents, warrants, and covenants to [Frontier], on and as of the [Sale Date], that . . . the Assignor (i) is the sole and lawful owner and holder of indefeasible and marketable title — free and clear of all charges, claims, conditions, encumbrances, interests, liens, pledges, and other restrictions — to all rights and interests in [the] Loan, and (ii) has not assigned, conveyed, pledged, or transferred any rights or interests of the Assignor in or to the Purchase Agreement or [the] Loan"

19. On April 10, 2017, Frontier finally received a physical copy of the Fraudulent Note. To Frontier's surprise, however, affixed to the Fraudulent Note was a notice (the "Warehouse Notice") from Santander Bank (the "Warehouse Lender") advising that it purportedly held a security interest (the "Warehouse Lien") in the Loan, and instructing Frontier to remit payment of \$1,470,000.00 by wire transfer to the Warehouse Lender at the bank account specified by it in the Warehouse Notice.⁶

⁶A true and correct copy of the Warehouse Notice is appended as Exhibit D hereto.

- 20. Because the existence of the Warehouse Lien constitutes a material breach of the representation made by the Originator in Subsection 6.09(a) of the Purchase Agreement, on May 19, 2017, Frontier delivered a written demand (the "Originator Demand") upon the Originator to repurchase the Loan. As of the date hereof, the Originator has disregarded the Originator Demand notwithstanding the Originator's undeniable and unequivocal breach of the representation made by it in Subsection 6.09(a) of the Purchase Agreement.
- 21. Because the existence of the Warehouse Lien also constitutes a breach of the representation made by Wunderlich in Section 2(a) of the Assignment Agreement, on May 31, 2017, Frontier delivered a written demand (the "Transferor Demand") upon Wunderlich to repurchase the Loan. As of the date hereof, Wunderlich has disregarded the Transferor Demand notwithstanding Wunderlich's undeniable and unequivocal breach of the representation made by it in Section 2(a) the Assignment Agreement.
- 22. Unfortunately for Frontier, the misrepresentations and omissions made by the Originator and Wunderlich were not limited to hiding the existence of the Warehouse Lien from an unwitting Frontier.
- 23. On May 2, 2017, the Originator changed the registration of the Loan on the MERS System to reflect Frontier as the owner and servicer of the Loan. Upon information and belief, this registration change alerted Northpointe (who claims to be the initial transferee) to a potential infringement by the Originator and/or Frontier upon the purported interest of Northpointe in the Loan. Consequently, on June 30, 2017, Northpointe called Frontier to advise that the Originator and Wunderlich were unable to sell the Loan because Northpointe was the purported owner of the Loan and possessor of the Genuine Note. Needless to say, the purported ownership by Northpointe of the Loan on the Sale Date constitutes a breach of the representation

made by the Wunderlich in Section 2(a) of the Assignment Agreement, as well as a breach of the representation made by the Originator in Subsection 6.09(a) of the Purchase Agreement.

As a final coup-de-grace, on July 13, 2017, Frontier received an email from MERS Corp. advising that it was obligated to update the MERS System to reflect Northpointe or its designee as the owner and servicer of the Loan notwithstanding Frontier's purchase thereof. As of the date hereof, the MERS System continues to reflect Northpointe as the owner and servicer of the Loan.

IV. CLAIMS AND CAUSES OF ACTION

A. Breach of Contract.

- 25. Plaintiff hereby restates and incorporated by reference every allegation contained in the foregoing paragraphs as if fully set forth herein.
- 26. As set forth in detail above, the Loan that Wunderlich sold to Frontier was materially inconsistent with the terms of the Assignment Agreement, its associated Purchase Agreement, and the LOI. The failure of the Loan to conform with the representations and warranties contained in the Assignment Agreement and Purchase Agreement was a material breach of the Assignment Agreement.
- 27. Wunderlich's failure to re-purchase the loan from Frontier pursuant to the explicit terms and requirements of the LOI was a material breach of the LOI, since the Loan failed to conform with representations and warranties made by the Seller in the Purchase Agreement, and the representations and warranties made by Wunderlich in the Assumption Agreement and LOI.
- 28. Frontier has made express demands on Wunderlich pursuant to the contractual provisions, that Wunderlich re-purchase the loan and remit payment of the amount of its payment to Wunderlich, \$1,299,803.62. Wunderlich has failed and refused to do same.

PLAINTIFF'S ORIGINAL PETITION

PAGE 8

29. As a direct and proximate result of Wunderlich's breaches of the Purchase Agreement, Assignment Agreement and the LOI, Frontier has suffered damages in at least the amount paid by Frontier, \$1,299,803.62.

B. Specific Performance.

- 30. Plaintiff hereby restates and incorporated by reference every allegation contained in the foregoing paragraphs as if fully set forth herein.
- 31. The Executed LOI required Wunderlich to re-purchase any loans that failed to conform with representations and warranties made by the Seller in the Purchase Agreement. As set forth in detail above, the Loan here seriously failed to conform with the representations and warranties made by the Seller in the Purchase Agreement, and the representations and warranties made by Wunderlich in the Assumption Agreement.
- 32. Pursuant to the specific terms of the LOI, Frontier is entitled to specific performance of the re-purchase requirement, and Wunderlich should be compelled to re-purchase the Loan at the full contract price paid by Frontier, or \$1,299,803.62.

C. Attorneys' Fees.

- 33. Plaintiff hereby restates and incorporated by reference every allegation contained in the foregoing paragraphs as if fully set forth herein.
- 34. The Purchase Agreement provides that Frontier may recover all of its costs, damages, fees (including without limitation attorneys' fees . . . arising out of, resulting from, or relating to "any breach by the Seller of any condition, covenant, representation, warranty, or other provision." Hence, in addition to applicable State laws allowing recover of attorneys' fees in such matters, Frontier has an express, contractual right to recover same from Wunderlich.

35. Frontier has made demand for Wunderlich to comply with its contractual obligations to re-purchase the Loan and to remit payment of the amount of its payment to Wunderlich, \$1,299,803.62. Wunderlich has failed and refused to do same.

36. Frontier is entitled to recover its costs and attorneys' fees expended as a result of Wunderlich's failure to comply with its contractual obligations.

IV. DAMAGES

37. Plaintiff hereby restates and incorporated by reference every allegation contained in the foregoing paragraphs as if fully set forth herein.

38. As a direct and proximate result of Wunderlich's breaches of contract, Frontier has suffered at least \$1,299,803.62 in actual damages. Frontier also pleads for specific performance of the re-purchase requirement contained in the contractual agreement, along with:

a. attorney's fees;

b. pre-judgment interest as recoverable by law at the highest legally available rate;

c. post-judgment interest at the highest rate allowable by law; and

d. costs of Court.

WHEREFORE, PREMISES CONSIDERED, Plaintiff, Frontier State Bank, prays that Defendant, Wunderlich Loan Capital Corp., be cited to appear and answer and that, after trial by jury, judgment be entered against the Defendant for an amount not less than \$1,299,803.62, all of Plaintiff's recoverable attorneys' fees and costs of court, pre- and post-judgment interest at the highest rates allowed by law, and for any further relief, at law or in equity, which this Honorable Court shall deem proper.

Dated the 4 day of September, 2017.

PLAINTIFF'S ORIGINAL PETITION

PAGE 10

Respectfully Submitted,

STUART A. KNARR, OBA #13711 of the firm Pate, Kempf & Knarr, P.C. P.O. Box 1907 Oklahoma City, OK 73101-1907 (405) 235-4211 (405) 232-3930 facsimile sknarr@pkklawyers.com Attorneys for Plaintiff

AND

C. GREGORY SHAMOUN

Texas State Bar No. 18089650 g@snlegal.com

SHAMOUN & NORMAN, LLP

1800 Valley View Lane, Suite 200 Farmers Branch, Texas 75234

Phone: (214) 987-1745 Fax: (214) 521-9033 Email: g@snlegal.com

ATTORNEYS FOR PLAINTIFF

JURY TRIAL DEMANDED PRE-JUDGMENTN INTEREST CLAIMED

Note Allonge

Loan#: 8001604066912

Date: 09/07/2016

Borrower: Nicholas Protopapas

Co-Borrower:

Loan Amount: \$ 1,500,000.00

Property Address: 1-16 Samos Lane, Whitestone, NY, 11357

Pay to the order of:

Without recourse

Vanguard Funding Luc, a Limited Liability Company

Bv:

Matthew Voss, SV

Exhibit H EXHIBIT 2 - Page 12 of 31

CONSOLIDATED NOTE

LOAN #: 8001604066912 MIN: 1004979-1108610203-1

This Note amends and restates in their entirety, and is given in substitution for, the Notes described in Exhibit A of the New York Consolidation, Extension, and Modification Agreement dated the same date as this Note. September 7, 2016 Garden City, [Date] [City] [State]

> 1-16 Samos Lane, Whitestone, NY 11357 [Property Address]

BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$1,500,000.00 (this amount is called Principal"), plus interest, to the order of the Lender. The Lender is Vanguard Funding LLC, a Limited Liability Company.

will make all payments under this Note in the form of cash, check or money order.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder.

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a early rate of 3.500 %

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payment on the 1st day of each m day of each month beginning on November 1, 2016.

will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on October 1, 2046, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at 300 Garden City Plaza, Suite 170 Garden City, NY 11530

at a different place if required by the Note Holder.

(B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. \$6,735.67.

BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note.

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

BORROWER'S FAILURE TO PAY AS REQUIRED 6.

(A) Late Charge for Overdue Payments

(A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of 15

calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 2,000 % offmy overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

(B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

(C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

(D) No Waiver By Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

NEW YORK FIXED RATE NOTE - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT Elle Mae, Inc. Page 1 of 2

Initials: Form 3233 1/01

> F3200NYN 0107 09/07/2016 12:35 PM PST



LOAN #: 8001604066912

(E) Payment of Note Holder's Costs and Expenses If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice

of that different address.

OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

WAIVERS

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due, "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

10. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

Lender may require immediate payment in full of all Sums Secured by this Security Instrument if all or any

part of the Property, or if any right in the Property, is sold or transferred without Lender's prior written permission. If Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred without Lender's prior written permission, Lender also may require immediate payment in full. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender requires immediate payment in full under this Section 18, Lender will give me a notice which states this requirement. The notice will give me at least 30 days to make the required payment. The 30-day period will begin on the date the notice is given to me in the manner required by Section 15 of this Security Instrument. If I do not make the required payment during that period, Lender may act to enforce its rights under this Security Instrument without giving me any further notice or demand for payment.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

NICHOLAS PROTOPAPAS

(Seal)

Lender: Vanguard Funding LLC NMLS ID: 2675 Loan Originator: Brian Seth Ofsie NMLS ID: 3377

NEW YORK FIXED RATE NOTE - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT Ellie Mae, Inc. Page 2 of 2

[Sign Original Only] Initials Form 3233 1/01 F3200NYN 0107 F3200NYN (CLS) 09/07/2016 12:35 PM PST

\geqslant	WUNDERLICH
	Loan Capital Corp.

THE WATER

Target Settle Date:

hole Loan Trade Tirkesi

Produst Servicing 8 UPB Loss Count	Released	
Louis Court		
Gross WAC	3 500 1	
FICO:	7154	
LTV:	Tet Lien j	
PRICE	67,0000	

Price Adjustment on Rate

NA

Pool Peremeters (Loan Schedus):

See Exhibit A

SUBJECT TO:

- 1 Loans being sold Servicing Released, Settins with accrued interest
- 2 All leans are 1st Lien Mortgages
- 3 The Seller shall repurchese any Loen that: (a) experiences (i) a monetary default with respect to the first, second, or tried monthly payment after the Sale Dele, or (ii) a benicuptor, foredosure, or litigation on or before the date that is 100 days efter the Sale Date; or (b) falls to conform with any representation or warranty made by the Seller in the Agreement (as defined Paragraph 11 below).

- 4 The Servicing will transfer to the purchaser at a mutually agreed upon data.

 5 The Seller or contracted Sub-Sandcar will perform interim servicing for the Purchaser, at no charge, until transfer date.

 6 The Seller will provide to the Purchaser copies of the complete Credit and Closing loan package for each loan within five business days following Trade Data. Additionally, the Seller will provide current 12 month payment instany or Stelline payment history, whichever is less.

 7 Loans are materially as disclosed, including paid ourrent at settlement. Property laxes should be current on the
- Closing data.

 8 The loans will be approved for purchase at the sole decretion of the Purch

- This Letter of intent is subject to the due offigence findings performed by the Purchaser.

 This Letter of intent is subject to the due offigence findings performed by the Purchaser.

 The event that the property value relating to any Loan is fass than the property value indicated on Exhibit A. 10 in the event that the property value relating to any Loan is fass than the property value indicated on Exhibit A, or should any other found characteristic as to individual Loans, such as interest rate or delinquency status differentiated from the characteristics provided in Exhibit A or diherwise indicated in edwards of the preparation of this Letter of intent, then Selfer and Buyer shall negotiate, in good faith, a reduction in the purchase price of that individual Loan(s). In the event such price cannot be negotiated, Purchaser shall have the right to not purchase said Loan(s) and Selfer visal have the right to not self the Loan(s).
 11 Prior to the said of the loans, the Purchaser and Selfer will enter into a definitive agreement for the purchase and said of the loans in the form. Mortgage Loan Purchase and Selfe Agreement (the "Agreement"), which shall be consequent to the Divertical or the Divertical self-individual convenients.
- prepared by counsel for the Purchaser and shall include conditions, covenants, representations, warrantier as may be mutually acceptable to Purchaser and Soller. Seller shall represent and warrant that each loan it is velid and enforceable first lies mortgage, and that the Seller has clear, marketable and transferable little for each loan.
- 12 Neither Purchaser nor Seller will be bound to purchase or sell the loans until such a definitive Agreement is signed by both parties
- 13 The full purchase price plus any accrued interest will be payable in one closing, which will occur after the due diligence described above has been completed by Purchaser. The Settlement Date will be on or before the Target Settle Date or as otherwise determined by mutual consent between the Purchaser and Seller.
- 14 Upon execution of this Letter of Intent, Seiler agrees to refrain from merketing the loans or providing information concerning the loans to any potential purchasers
 15 Subject to re-pricing based on reasonable due difigence being conducted and current merket value

BUYER:

Neither Purchaser nor Soller will be bound to purchase or sell the loans until such a delinitive Agreement is signed by both pertine.

Loan Number	Date of Tape ("As of")	FICO	Loan Program Type	Certificate Number	MI Coverage	MI Vendor	Purpose	Llen
87 8001604066912	03-03-17 715	715	JUMBO	N/A	N/A	N/A	ATE AND TER	<u> </u>

9

CLTV MIGPAL MIGTAL MIGME
,
Note Rate
ша
Documentation n Level

lem Age	4
Remg Term	356
Original Term	360
Next Payment Due	01-03-17
Maturity	01-10-46
1st Payment Due	01-11-16
Origination Date	07-09-16

Program Type	N/A
2nd Lien Original Loan Anount	N/A
2nd Lien (Yes or No)	ON
Sales Price if Purchase	N/A
Original Appraisal	2,400,000.00
Current UPB	1,491,502.30 \$
Original UPB	1,500,000.00
	v,

WHITESTONE 116 SAMOS LANE PRIMARY Property Type SFD

EXHIBIT 2 - Page 20 of 31

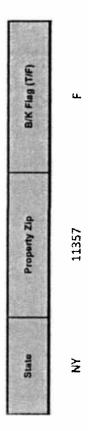


EXHIBIT 2 - Page 21 of 31

EXHIBIT 2 - Page 22 of 31

Date of B/K Filing (if any): N/A ARM Flag (T/F) Loan Modification Flag (T/F) Repayment Plan Flag (T/F)

EXHIBIT 2 - Page 23 of 31

Date (11	
Notice of Default Issue [any]:	N/A
Post-Petition Interest Paid-to Date (BK No only):	N/A
Term of B/K Plan (in months):	N/A
B/K Chapter:	N/A

N/A (If any) X X 1st Legal Date Notice of Default Amount: X X Notice of Default Expiration Date: N/A

|--|

N/A Gross Margin (ARM only) N/A N/A N/A

EXHIBIT 2 - Page 27 of 31

Maximum Interest Rate (ARM Only)	N/A
(ARM	
Minimum Interest Rate Only)	N/A
(ARM Only)	Ą
Lifetime Cap	N/A
(ARM Only)	
Periodic Cap	A/N

Change Frequency	(ARM only)	First Rate Change Date	Next Rate Change Date	Neg Amortization (Y/N, ARM only)
N/A		N/A	N/A	4/2

IRS payable of ~25K remaining balance from 2015 tax year

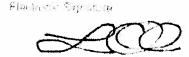
Signature Certificate

Document Reference: LRB66AJ3NI23Y4NPLJAAC8





Lukus Collins Party ID: 3ZANM9JKHJ5LBBY7J2NRX2 IP Address: 24.249.228.10



Multi-Factor Digital Fingerprint Checksum

#df428a8cb54d22fdf1b47902772f8871303a436



Timestamp	Audit
2017-03-20 07:54:42 -0700	All parties have signed document. Signed copies sent to: Lukus Collins and
2017-03-20 07:54:41 -0700	Jason Goldamith.
2017-03-20 07 34 41 -0700	Document algred by Lukus Collins@frontler-ok.com) with drawn signature 24.249.228.10
2017-03-20 07:54:40 -0700	Lukus Collins (Icollins@frontier-ok.com) has viewed Consumer Disclosure and affirmatively consented 24.249.228,10
2017-03-20 07:53:12 -0700	Document viewed by Lukus Collins (Icollins@frontier-ok.com), - 24.249.228.10
2017-03-17 17:33:13 -0700	Document created by Jason Goldsmith (jason@goldsmithassociates.com)



This signature page provides a record of the online activity executing this contract.

Page 1 of 1